

**IN THE UNITED STATES BANKRUPTCY COURT  
DISTRICT OF SOUTH CAROLINA**

In re:

Connector 2000 Association, Inc.,

Debtor.

Case No.  
Chapter 9

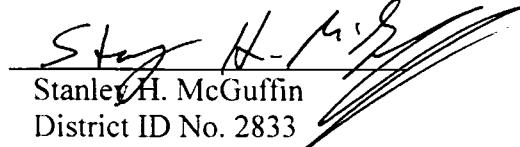
**STATEMENT OF QUALIFICATIONS  
UNDER 11 U.S.C. § 109(c)**

Connector 2000 Association, Inc. ("Debtor"), an instrumentality of the State of South Carolina, hereby certifies its qualifications to be a debtor under section 109(c) of the United States Bankruptcy Codes, as follows:

1. The Debtor is a municipality as such term is defined in 11 U.S.C. § 101 (40).
2. The Debtor is specifically authorized in its capacity as a municipality to be a debtor under chapter 9 by the laws of the State of South Carolina. S.C. Code Ann. § 6-1-10. Additionally, on January 20, 2010, the Board of Directors of the Debtor adopted a resolution to authorize the commencement and prosecution of this case. A true and correct copy of this resolution is attached hereto as Exhibit 1. Pursuant to the resolution, the Executive Vice President and General Manager, Peter Femia, has authorized and directed the filing of the petition under Chapter 9.
3. The Debtor is insolvent within the meaning of 11 U.S.C. § 101 (32)(C).
4. The Debtor desires to effect a plan to adjust its debts.
5. The Debtor (a) has negotiated in good faith with creditors holding at least a majority in the amount of claims of each class that the debtor intends to impair under its plan in its chapter 9 case; or (b) is unable to negotiate with its creditors because such negotiation is impracticable.

6. This Statement of Qualifications Under 11 U.S.C. § 109(c) is supported by a Memorandum of Law which will be filed separately.

**HAYNSWORTH SINKLER BOYD, P.A.**

By: 

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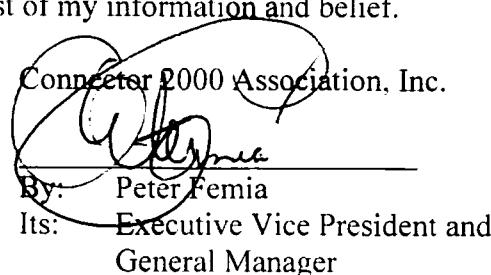
June 24, 2010

Attorneys for Debtor Connector 2000  
Association, Inc.

**DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF CONNECTOR  
2000 ASSOCIATION, INC.**

I, Peter Femia, the Executive Vice President and General Manager of Connector 2000 Association, Inc., am the officer or agent of the municipality named as a debtor in this case. I declare under penalty of perjury that I have read the foregoing Statement of Qualifications Under 11 U.S.C. § 109(c), and that it is true and correct to the best of my information and belief.

Dated: June 24, 2010

  
Connector 2000 Association, Inc.  
By: Peter Femia  
Its: Executive Vice President and  
General Manager

## **EXHIBIT 1**

**RESOLUTION OF THE BOARD OF DIRECTORS OF CONNECTOR 2000  
ASSOCIATION, INC. AUTHORIZING FILING OF A PETITION UNDER CHAPTER 9  
OR CHAPTER 11 OF THE UNITED STATES BANKRUPTCY CODE AND OTHER  
MATTERS RELATED THERETO**

**WHEREAS**, Connector 2000 Association, Inc. (the "*Association*") was incorporated on January 12, 1996 as a South Carolina public benefit non-profit corporation; and

**WHEREAS**, on February 11, 1998 the Association issued \$200,177,680 (original amount) Connector 2000 Association, Inc. Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina), Series 1998A, Series 1998B and Series 1998C (the "*Bonds*") pursuant to a Master Trust Indenture dated as of February 1, 1998 (the "*Master Indenture*") between the Association and U.S. Bank, National Association, as successor to First Union National Bank (the "*Trustee*"); and

**WHEREAS**, the Bonds were issued to finance substantially all of the costs of the Southern Connector, an approximately 16-mile four-lane toll road extending from I-85 at its interchange with I-185, in Greenville County, and terminating at I-385 at its intersection with U.S. 276 and Standing Springs Road east of the City of Greenville, South Carolina, between the cities of Mauldin, South Carolina and Simpsonville, South Carolina; and

**WHEREAS**, the Association designed, acquired, constructed and equipped the Southern Connector under a public-private partnership with the South Carolina Department of Transportation ("*SCDOT*") created pursuant to a License Agreement dated as of February 11, 1998 between the Association and SCDOT; and

**WHEREAS**, the Bonds are secured by and payable solely from toll revenues collected by the Association from users of the Southern Connector under the License Agreement; and

**WHEREAS**, traffic on the Southern Connector has been substantially lower than projected at the time the Bonds were issued and the Association has not satisfied the Revenue Covenant under the Master Indenture; and

**WHEREAS**, the Association has failed to pay all of the principal and interest owing on the Bonds and an event of default has occurred and is continuing under the Bonds and the Master Indenture; and

**WHEREAS**, the Association has been exploring possible restructuring of its bonded indebtedness or sale of all or some portion of its interest in the Southern Connector; and

**WHEREAS**, the Association has negotiated with the Trustee, the SCDOT and the holders of a majority in principal amount of the Senior Bonds (as defined in the Master Indenture) to restructure its bonded indebtedness; and

**WHEREAS**, the Board of Directors of the Association (the "*Board*") has determined among other things that it is in its best interests of the Association that a petition for protection under the provisions of the United States Bankruptcy Code be filed by the Association.

**NOW THEREFORE, BE IT RESOLVED** by the Board of Directors of Connector 2000 Association, Inc., in meeting duly assembled, as follows:

1. The statements of facts set forth in the recitals of this Resolution are adopted as true and correct as of the date hereof.

2. The Association is hereby authorized to file a petition for protection under Chapter 9 or Chapter 11 of the United States Bankruptcy Code, and the same is hereby approved and adopted in all respects, and the Executive Vice President and General Manager, Peter Femia, on behalf of and in the

name of the Association, is hereby authorized to execute and verify such petition and cause the same to be filed with the United States Bankruptcy Court of the District of South Carolina.

3. The President, the Executive Vice President and General Manager and the other officers of the Association are further authorized, individually or collectively, to do all things, engage and pay any consultants, accountants, attorneys or other persons or entities and execute any documents, pleadings, amendments, registration statements, prospectuses, disclosure statements, contracts, deeds, conveyances, certifications or instruments necessary or convenient to implement this Resolution, to restructure the indebtedness of the Association or to promote the charitable and governmental purposes of the Association.

4. All actions previously taken by the officers, directors or agents of the Association, its committees or advisors, in connection with the matters which are the subject of this Resolution are hereby expressly ratified and approved by the Board.

5. This Resolution is effective as of the date noted below, and will continue in full force and effect until repealed by subsequent action of the Board.

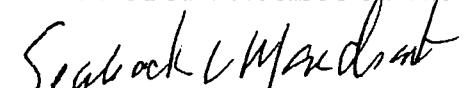
Passed and approved this 20<sup>th</sup> day of January, 2010.

**CERTIFICATE OF THE SECRETARY**

I, the undersigned Secretary of the Board of Directors (the "Board") of Connector 2000 Association, Inc. (the "Association"), do hereby certify that I am a duly qualified and acting officer of the Board, and as such officer I hereby certify that the foregoing is a true and complete copy of the resolution duly adopted by the Board at a meeting thereof duly held on January 20, 2010 for which notice was accomplished in accordance with the requirements of South Carolina law and the By-laws of the Association, at which a quorum of the Board was present and participated throughout and that such Resolution has not been repealed, modified or amended and remains in full force and effect as of the date hereof.

WITNESS my signature this 24 day of January, 2010.

**CONNECTOR 2000 ASSOCIATION, INC.**

  
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Secretary, Board of Directors